

Exchange of Good practices on gender equality

Equal Pay Days

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Comments Paper - Austria

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The Gender Pay Gap and Equal Pay Days in Austria

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1. Introduction

1.1. The Gender Pay Gap in Austria

Austria has the **second-highest gender pay gap** (GPG) in the European Union. In 2011, the gap was higher in Estonia only. Between 2008 and 2011, the unadjusted GPG¹ in Austria decreased slightly from 25.1% to 23.7% (EU-27: 17.3% and 16.2%, respectively).² Comparing the incomes of full-time employed men and women only, the pay gap in Austria is still 16.3% (2000: 23.1%).³

There are several reasons for the high gender pay gap in Austria. First, the patterns of female **part-time and atypical employment**: In 2012, 44.9% of those women in Austria who were active in the labour market worked part-time, while the share was only 9.0% for men.⁴ Furthermore, almost every second woman but only one out of eight men has an atypical employment contract.⁵ Second, the strong **horizontal labour market segregation**: Women concentrate within particular educations, sectors and professions; among them the service, retail and health sector.⁶ Third, the **vertical labour market segregation**: Women are underrepresented in higher

¹ The unadjusted GPG represents the difference between average gross hourly earnings of male paid employees and of female paid employees as a percentage of average gross hourly earnings of male paid employees.

For details on differences between the unadjusted GPG and other indicators see Geisberger, Tamara/Till, Matthias (2009): Der neue EU-Strukturindikator "Gender Pay Gap", Statistische Nachrichten 1/2009, pp. 64-70.

² European Commission (2013): Commission Staff Working Document. Report on Progress on equality between women and men in 2012, Brussels, http://ec.europa.eu/justice/gender-equality/files/swd_2013_171_en.pdf, 06.06.2013: 16 (Eurostat data).
European Union (1995-2013): Gender pay gap in unadjusted form, <http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&plugin=1&language=en&pcode=tsdsc40>, 06.06.2013.

³ Knittler, Käthe (2011): Monatliches Nettoeinkommen im Mikrozensus – Ergebnisse. Einkommensverteilung unselbständig Erwerbstätiger nach soziodemographischen Merkmalen und atypischen Beschäftigungsformen, Statistische Nachrichten 10/2011, pp. 998-1016: 1002 (national data by Statistics Austria, based on monthly net salaries, data for 2009).

⁴ Statistik Austria (2013): Teilzeit, Teilzeitquote, http://www.statistik.at/web_de/statistiken/arbeitsmarkt/arbeitszeit/teilzeitarbeit_teilzeitquote/index.html, 05.06.2013 (data according to ILO concept).

⁵ Geisberger, Tamara (2011): The gender pay gap: evidence from Austria. Note by Statistics Austria, Economic Commission for Europe, United Nations, Economic and Social Council, http://www.statistik.at/web_de/Redirect/index.htm?dDocName=062504, 02.07.2013.

⁶ Mairhuber, Ingrid (2011): Übergänge im Lebenserwerbsverlauf von Frauen und Männern. Herausforderungen und geschlechterdemokratische Perspektiven für Österreich. FORBA-Forschungsbericht 1/2011: 24.
Statistik Austria (2010): Arbeitskräfteerhebung 2009, Wien: 135f.

qualified positions, and in 2011, only 28% of managers were female.⁷ 8.4% of male employees held a management position in 2011, but only 3.6% of female employees.⁸ Fourth, **family-related labour market disruptions** are comparatively long in Austria and concern primarily women. Most parents opt for the longest available model of childcare benefit (30 months, or 36 months when shared between mother and father), and regardless of the model chosen, the overwhelming part of the childcare benefit is taken over by women. This leads to long career breaks for many women with children.⁹ Of those women who had started maternal leave in 2006 and had previously been working, only 38% had taken up employment by the time of their child's second birthday.¹⁰

Yet, when the income difference between men and women with comparable background characteristics is compared, only parts of the gender pay gap in Austria can be explained by observable characteristics. For data of 2006, parts of the pay gap can be explained by the sector and job related gender segregation of the labour market, by education level, tenure and age. A remaining 18.1% of the 25.5% pay gap, however, cannot be explained by any of these factors.¹¹ This means that discrimination and unequal evaluation of men's and women's work can be among the underlying reasons.¹²

1.2. Legal and institutional frameworks

An **Equal Treatment Act** was enacted in Austria in 1979. Originally, it prohibited gender-specific wage inequalities, aiming to abolish clauses in collective agreements which at the time allowed wage differences for similar work. In addition, an **Equal Treatment Commission** was implemented. In an amendment of 1992, the Equal Treatment Act was adapted to EU law. Aspects such as work of equal value and indirect discrimination were introduced. In 2004, further reasons for discrimination were added (ethnicity, religion, age, sexual orientation). The legal frameworks for employees of the public sector were implemented in 1993. They largely correspond to those for private-sector employees, but stipulate in addition that women with the same qualification are to be preferred until a quota of 40% has

⁷ Mairhuber (2011), *op. cit.*: 25.

Statistik Austria (2010), *op. cit.*: 135f.

⁸ Statistik Austria (2013): www.statistik.at, 05.06.2013 (data excluding self-employed people).

⁹ Mairhuber (2011), *op. cit.*

Bundesministerium für Wirtschaft, Familie und Jugend (2013): Kinderbetreuungsgeldstatistik. Monatsstatistik Mai 2013,

<http://www.bmwfj.gv.at/Familie/FinanzielleUnterstuetzungen/Kinderbetreuungsgeld/Documents/KBG-Statistik%20Mai%202013%20-Kurzversion.pdf>, 06.06.2013.

¹⁰ Riesenfelder, Andreas (2013): Wiedereinstiegsmonitoring. Ein Überblick über die Ergebnisse der Kohorten 2006 bis 2010 in Österreich und in der Bundeshauptstadt Wien. L&R Sozialforschung, im Auftrag der AK Wien.

¹¹ Statistik Austria (2013): Einkommen, http://www.statistik.at/web_de/statistiken/soziales/gender-statistik/einkommen/index.html, 06.06.2013.

¹² See Böheim, René/Himpele, Klemens/Mahringer, Helmut/Zulehner, Christine (2010): Determinants of wage differences between men and women in Austria. First version: June 2010, http://www.researchgate.net/publication/228424801_Determinants_of_wage_differences_between_men_and_women_in_Austria/file/d912f50a4c67f9b291.pdf, 02.07.2013.
Böheim, René/Himpele, Klemens/Lutz, Hedwig/Mahringer, Helmut/Zulehner, Christine (2010): Lohnunterschiede zwischen Frauen und Männern in Österreich: Ergebnisse für 2007, Wifo-Extern, 28. Juni 2010, Präsentation des OeNB Jubiläumsfondprojekt # 12975, <http://homepage.univie.ac.at/christine.zulehner/wifo-extern-280610.pdf>, 02.07.2013.

been reached.¹³ §11 of the Equal Treatment Act refers directly to **wages**. It stipulates that company classifications as well as collective legal provisions for wage criteria have to correspond to the principle of equal pay for equal work or work of equal value.¹⁴

A further amendment was made in 2011, when employers were obliged to prepare **income reports** (see below). Furthermore, since 2012, employers and agencies publishing **job advertisements** have to provide information on the wage offered. They have to state the minimum collective agreement wage that applies and to note whether payments of higher wages are possible. Sanctions for not complying are warnings and fines.¹⁵

Among the main institutions in the context of anti-discrimination are the **Equal Treatment Commissions**, which include a commission for federal employees (Federal Equal Treatment Commission) and one for other employees (Equal Treatment Commission). Furthermore, there is an **Ombud for Equal Treatment** that provides advice, support and information on equality issues.¹⁶

1.3. Equal Pay Days in Austria

Currently, **two Equal Pay Days** (EPD) are organised in Austria, one in autumn and one in spring. The EPD in **autumn** is primarily organised by trade unions, social democratic and other left-wing institutions and initiatives. The day on which it takes place marks the day from which on women work for free based on income gap calculations (October 6th in 2012). The Federal Minister for Women and the Civil Service (Social Democratic Party of Austria, SPÖ) regularly takes the EPD in autumn as an occasion to launch new campaigns. Examples are the wage calculator (see below) or the campaign “4 Wände, 4 Hände” (“4 walls, 4 hands”) promoting an equal distribution of housework in the private sphere.

The EPD in **spring** marks the day until which women have to work in order to earn the same as men have earned until the end of the previous year (April 5th in 2013). It was implemented in Austria in 2009 and has since taken place in April every year.¹⁷ This EPD is organised by the international network Business and Professional Women (BPW). BPW Austria is part of Business and Professional Women International (BPWI).¹⁸ As in other countries, the symbol for the BPW’s EPD is a red handbag, symbolising women’s being in the red financially and women having less money in their purse than men. The aims of the BPW’s EPD, which is accompanied by a website, are to foster debates about the gender pay gap, to raise awareness about the extent and relevance of the problem, to promote awareness raising and mobilisation of all involved actors, to empower women in taking action and taking

¹³ Konstatzky, Sandra (2008): Rechtliche Grundlagen für gleichen Lohn für gleiche/gleichwertige Arbeit. Frauen verdienen mehr – Kurzlehrgang für Equal Pay-AkteurInnen, <http://www.frauen.bka.gv.at/site/6677/default.aspx>, 04.06.2013: 4f.

¹⁴ Konstatzky (2008), *op. cit.*: 6f.

¹⁵ Bundeskanzleramt (2007-2013): Gleichbehandlungsgesetz, <http://www.bka.gv.at/site/5572/default.aspx>, 05.06.2013.

¹⁶ Bundeskanzleramt Gleichbehandlungsanwaltschaft (2008-2011): <http://www.gleichbehandlungsanwaltschaft.at>, 07.06.2013.

¹⁷ BPW Austria (2013): <http://www.equalpayday.at>, 03.06.2013.

¹⁸ BPW Austria (2013): <http://www.bpw.at/index.php>, 03.06.2013.

over responsibility, to reduce the pay gap in Austria, to create income transparency and to establish the national Equal Pay Day.¹⁹

The two EPDs are currently organised as different events that are only loosely connected to each other and involve different stakeholders. In addition, there is now the EPD on European level launched by the European Commission in 2011 as well. While it can be argued that organising several EPDs per year implies that the issue is on the agenda and in the media more often, it appears more likely that combining and concentrating the efforts to organise **one large and joint EPD**, at least on national level, would increase its impact.

1.4. Other Initiatives

In March 2011, amendments of the Equal Treatment Act were enacted, aiming for **higher transparency** of incomes and income differences between men and women. The Act now obliges companies with a certain amount of employees to issue **income reports** every second year. The report is to present mean incomes of women and men for the different positions and tenures. The report has to be handed over to the works council; in companies without a works council, it has to be made available in a room accessible for all employees. The works council is authorised to provide employees with the information relevant for them. The group of companies concerned is to be enlarged in several steps: Employers with more than 1.000 employees had to provide the income report starting with the year 2010. Since 1.1.2012, this applies to employers with more than 500 employees; since 1.1.2013, to employers with more than 250 employees. From 1.1.2014 onwards, it will include employers with more than 150 employees. If an obliged company does not provide an income report, the works council or (in companies without works council) individual employees can sue the employer.²⁰

In 2011, the Federal Minister for Women and the Civil Service published the **salary calculator**, an online tool based on a data set developed by Statistics Austria.²¹ Its aim is to allow women to find out whether their current wage is fair and to provide them with objective arguments for wage negotiations. It calculates guide values based on mean wages for sectors and professions.

Other campaigns and material issued by the Federal Minister for Women and the Civil Service include guidelines for affirmative action for promoting women in companies, a campaign for encouraging men to take paternal leave, and the campaign “Gleich = Fair” (“equal = fair”) referring to the gender pay gap. The Ministry also commissions research projects on the pay gap.²² Trade unions, political parties, the Austrian Chamber of Labour and other stakeholders regularly organise events and campaigns for the Equal Pay Days and provide information and data.

¹⁹ BPW Austria (2013): http://www.bpw.at/austria_projekte.php, 03.06.2013.

²⁰ Kammer für Arbeiter und Angestellte Wien (2013): Verpflichtende Einkommensberichte, <http://www.arbeiterkammer.at/online/page.php?P=7798>, 05.06.2013.

²¹ <http://www.gehaltsrechner.gv.at/>

²² Bundeskanzleramt (2007-2013): Erwerbstätigkeit und Arbeitsmarkt, <http://www.frauen.bka.gv.at/site/5461/default.aspx>, 07.06.2013.

2. Policy Debate

The obligation to provide income information in **job advertisements** has recently been criticised for insufficient clarity. Based on an analysis of roughly 6.000 advertisements, the Austrian Chamber of Labour (AK) concludes that the legal instructions are adhered to in 87% of the cases. However, in more than 60% of the advertisements of large and medium enterprises, it is still not clear which actual salary is to be expected in practice. Accordingly, the Chamber has demanded improvements. Another debated issue is whether the obligation to provide **income reports** is to be extended to companies with more than 25 employees.²³

A **public and media debate** was triggered in 2012 in the context of an article published in the weekly news magazine *Profil*. The authors harshly criticised the data commonly used for indicating the gender pay gap and dismissed the pay gap as a “myth”.²⁴ Several delegates from the Austrian Economic Chambers (WKO) as well as some right-wing politicians took part in the debate by downplaying the gender pay gap and questioning calculation methods.^{25,26}

The **National Action Plan "Gender Equality in the Labour Market"** from 2010²⁷ set some foci on increasing the share of **women in boards**. Among other things, quotas for boards in companies with the majority of investment held by the state were introduced (35% until 2018). So far, success has been limited. Regarding the share on women in boards of the largest companies, Austria is below the EU average of 14% with a share of only 11%.²⁸ With regard to the aim of “**reducing the gender pay gap**”, the Action Plan lists the following four goals and action spheres:²⁹

- More women in well-paid, future-oriented, innovative jobs;
- Re-evaluation of work;
- Achieving income transparency;
- Fairer distribution of unpaid care-giving work.

²³ Der Standard (2012): ÖVP lehnt Gehaltsoffenlegung in Kleinbetrieben ab, <http://derstandard.at/1348285280273/OeVP-protestiert-gegen-mehr-Gehaltstransparenz>, 07.06.2013.

²⁴ Bauer, Gernot/Treichler, Robert (2012): Löhne: Die Wahrheit über die Ungleichheit, *Profil*, <http://www.profil.at/articles/1213/560/323607/einkommen-loehne-die-wahrheit-ungleichheit>, 05.06.2013.

²⁵ WKO.at (2012): Equal Pay Day: Lohntransparenz zeigt keine Diskriminierung von Frauen, http://portal.wko.at/wk/format_detail.wk?angid=1&stid=670281&dstid=1684, 06.06.2013.

²⁶ APA-OTS (1997-2013): FPÖ-Gartelgruber: Equal Pay Day: Scheinheilige Politik beenden, http://www.ots.at/presseaussendung/OTS_20120404_OTS0120/fpoe-gartelgruber-equal-pay-day-scheinheilige-politik-beenden, 06.06.2013.

²⁷ Bundeskanzleramt Österreich, Bundesministerin für Frauen und öffentlichen Dienst (2010): National Action Plan. Gender Equality in the Labour Market, Vienna, June 2010, [8http://www.bka.gv.at/DocView.axd?CobId=42527](http://www.bka.gv.at/DocView.axd?CobId=42527), 05.06.2013.

²⁸ European Union (2012): Women in economic decision-making in the EU: Progress report. A Europe 2020 initiative. Luxembourg: Publications Office of the European Union, http://ec.europa.eu/justice/gender-equality/files/women-on-boards_en.pdf: 9, 05.06.2013.

²⁹ Bundeskanzleramt Österreich, Bundesministerin für Frauen und öffentlichen Dienst (2010), *op. cit.*: 42f.

3. Transferability issues

The Belgian good practice example³⁰ in the context of the Equal Pay Days is impressive with regard to the **design and creativity of the campaigns**. The same is true for the Estonian “with or without dill” initiative and the “unhappy hour” example³¹, or, put in more general terms, the idea of selling food or other items for different prices according to the national pay gap. However, as noted in the Belgian as well as the Estonian paper, it remains indeed to be discussed how provocative such campaigns can or should be in order to catch attention while at the same time not having counterproductive effects. Nevertheless, it appears worthwhile to invest in catchier and more diverse campaigns in Austria as well. In addition, the focus on **social media** in order to improve dissemination and reach new target groups appears well-transferable to the Austrian context, where these media have started to be used as a means of dissemination for the Equal Pay Days as well.

In the Belgian example, it is not only the design of the campaigns that is interesting but also the **shifting foci** and the **links** that are being established between the pay gap and the division of housework, the pay gap and pensions, etc. This idea could probably be adopted for Austria, notwithstanding that similar connections are already being made in the campaigns of the Ministry in charge. An aspect which needs careful reflection is the argument used in the Belgian example according to which it is not only women but also men and families who suffer from the gender pay gap. While this reasoning may indeed appeal to additional target groups and/or add a different aspect to public debates, the question to be discussed is whether efforts against discrimination of women necessarily need to have advantages for men.

What is particularly interesting in the Spanish example³² is the fact that the equal pay days have been implemented and are organised by **government institutions**. In the Austrian situation, where the two pay days are organised by different stakeholders, it would probably improve the impact to have full, official and institutionalised support by government institutions for one joint equal pay day.

³⁰ Ravesloot, Saskia C.I. (2013): Equal Pay Day as a good practice in Belgium – How to pay the gap? Discussion paper - Belgium, Exchange of Good practices on gender equality, Equal Pay Day, Estonia, 18-19 June 2013.

³¹ Karu, Marre (2013): „Tilliga ja tillita“ – a low budget provocative culinary awareness campaign. Discussion paper - Estonia, Exchange of Good practices on gender equality, Equal Pay Day, Estonia, 18-19 June 2013.

³² Valiente, Celia (2013): Equal Pay Day in Spain. Discussion paper - Spain, Exchange of Good practices on gender equality, Equal Pay Day, Estonia, 18-19 June 2013.